

## **COUNTY OF YORK MEMORANDUM**

**DATE:** April 4, 2002 (BOS Mtg. 4/16/02)  
**TO:** York County Board of Supervisors  
**FROM:** James O. McReynolds, County Administrator  
**SUBJECT:** VML/VACo Virginia Power Steering Committee Reorganization

For several years, the County of York and other local governments have benefited from VML and VACo joint-sponsored negotiations with Dominion Virginia Power for electric power service rates and terms. This process has taken place through the VML/VACo Virginia Power Steering Committee. The cost of the Committee's operations and negotiations are shared among benefiting governments based on a pro-rata share of total kilowatt-hour usage. For York County this has averaged about \$1800 per year over the last five years, substantially less than would be required to negotiate an independent contract.

Although the Committee has played an important role in rate determination, the process has been relatively informal and voluntary with regard to participation. However, with the complexities of future deregulation, VML and VACo are now seeking to establish a more formal process and organization that will be capable of dealing with inevitable, complex issues. The new organization, replacing the former Steering Committee, is the Virginia Energy Purchasing Governmental Association (VEPGA).

To attain membership and the benefits of VEPGA's joint purchasing power, local entities must formally join VEPGA through ordinance and submit the following:

1. An original or certified copy of the ordinance authorizing membership
2. A properly executed original Joint Powers Association Agreement (attached), signed by the County Administrator
3. A completed designated contact form, identifying the County's point of contact for VEPGA matters
4. A check for the 2002-2003 assessment (York County's assessment is \$2,493, due no later than August 1, 2002)

Staff has reviewed the Joint Powers Association Agreement and supports the VEPGA initiative as the most beneficial means of obtaining reasonable electric power rates for the County.

RECOMMENDATION

I recommend that the Board adopt attached proposed Ord. No. 02-5 recognizing the important contribution that VML and VACo have made in negotiating power service terms and rates for local entities and directing the County Administrator to execute the VEPGA Joint Powers Association Agreement and to forward the County's application for VEPGA membership. The proposed ordinance follows the form of the suggested model ordinance provided by the VML/VACo Power Steering Committee.

Peters/3833:rlp

Attachments:

1. VEPGA Joint Powers Agreement (minus By-Laws)
2. Designated Contact Form
3. VEPGA Frequently Asked Questions
4. Proposed Ord. No. 02-5